

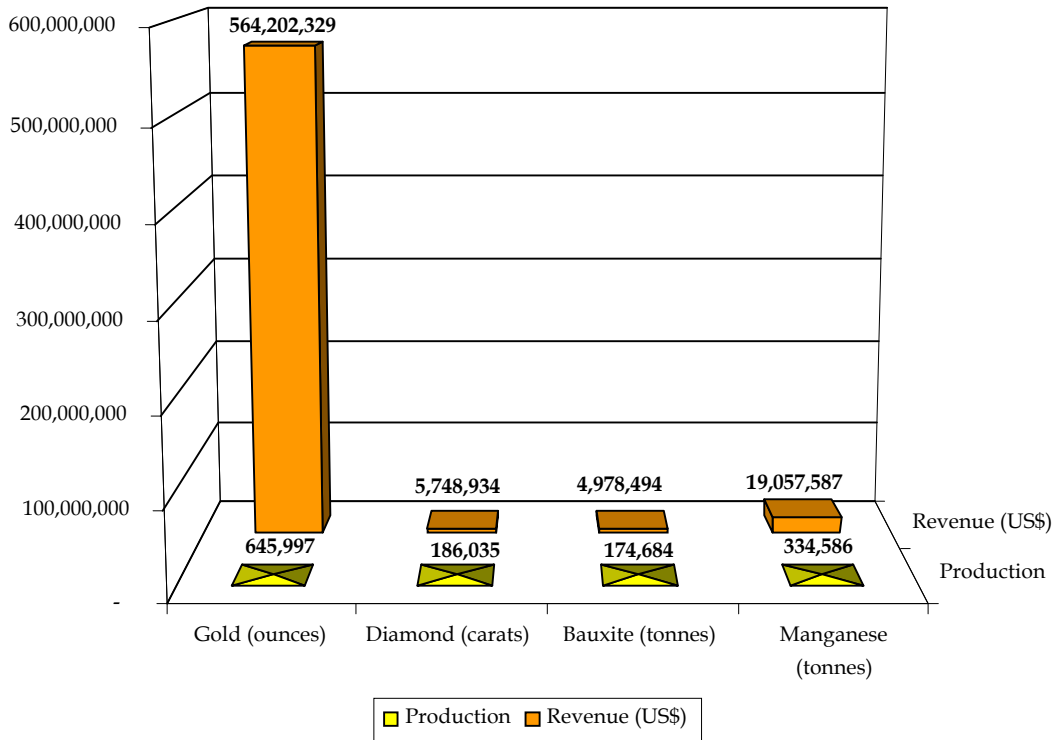
The Ghana Chamber of Mines, First Half Year 2008 Performance

MINERAL	Production				Revenue (US\$)			
	Q2 - 2008	Q1 - 2008	Q1 - 2007	Q2 - 2007	Q2 - 2008	Q1 - 2008	Q1 - 2007	Q2 - 2007
Gold (ounces)	645,997	620,699	617,508	613,916	564,202,329	554,027,812	396,515,776	404,449,637
Diamond (carats)	186,035	209,201	249,044	255,319	5,748,934	6,804,258	7,534,486	8,367,053
Bauxite (tonnes)	174,684	129,858	201,157	129,127	4,978,494	3,587,977	5,297,333	3,407,662
Manganese (tonnes)	334,586	233,252	417,503	158,854	19,057,587	13,493,022	10,001,598	5,079,043
Total					593,987,344	577,913,068	419,349,192	421,303,394

Mineral revenue for the first half of 2008 was 39% above that of 2007. Gold revenue went up by 40% for the same period while diamond revenue slumped 21%. Revenue from bauxite declined marginally by 2% whilst that of manganese increased by 116%. The exceptional performance of manganese was on account of a strategic decision of the Ghana Manganese Company Limited to revise its marketing and operational targets, resulting in on average, lower volumes and grades of exports, better pricing, more efficiency and longer life of mine".

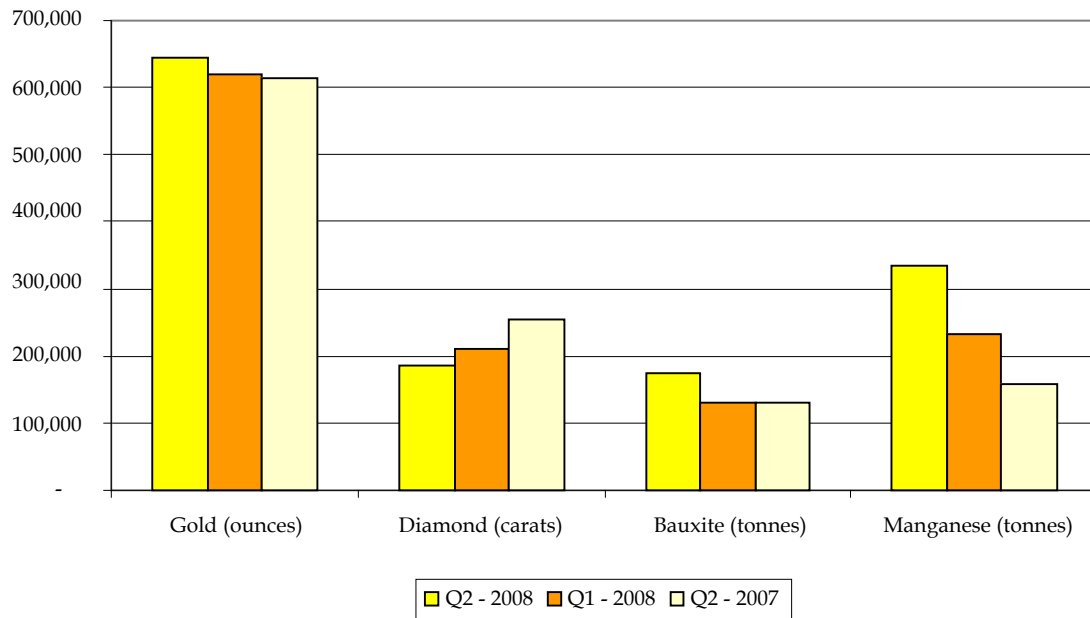
MINERAL	Production			Revenue		
	Half year 2008	Half year 2007	Percentage Change	Half year 2008	Half year 2007	Percentage Change
Gold (ounces)	1,266,696	1,231,424	3%	1,118,230,141	800,965,413	40%
Diamond (carats)	395,236	504,363	-22%	12,553,192	15,901,538	-21%
Bauxite (tonnes)	304,542	330,284	-8%	8,566,471	8,704,994	-2%
Manganese (tonnes)	567,838	576,357	-1%	32,550,609	15,080,641	116%
Total				1,171,900,412	840,652,586	39%

MINERAL COMPARISM FOR Q2, 2008



In contrast, gold output for the 1st half of the year was only 3% above that of the same period in 2007. Diamond output mirrored its revenue, declining by 22%. Bauxite shipments were down 8%, while manganese shipments declined marginally by 1%.

MINERAL PRODUCTION COMAPRISM FOR Q2, 2008



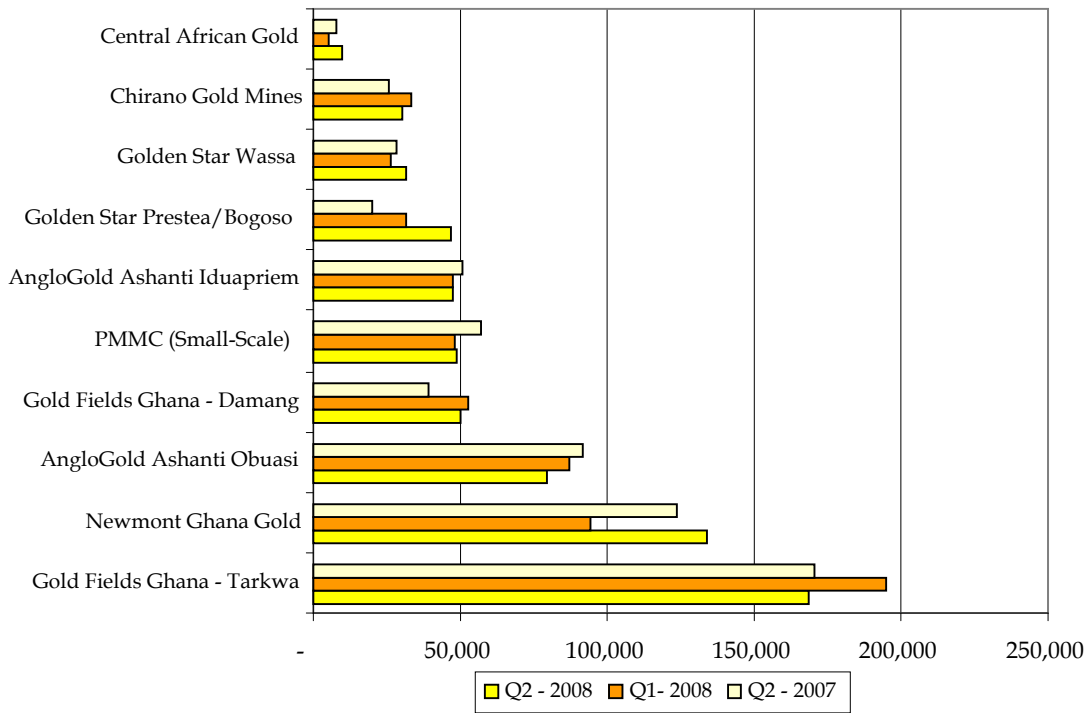
Shipment of the bulk minerals, manganese and bauxite was impacted by the 2-month strike action of the Ghana Railway Company. The subsequent accident on the rail line near Damang did not help the situation. In the event, the companies had to use the more expensive road option to transport their ore to the Takoradi harbour; a distance of 64km from Nsuta for manganese and 240km from Awaso for bauxite. This scenario adversely affected the performance of the Ghana Bauxite Company acutely as it run at a loss in both first and second quarters of the year.

Cash Margin of Gold Mining Companies

	Q2- 2008	Q1 - 2008	2007	% Change
Average Aggregated Realized Unit Price (\$/oz)	873	893	688	-2%
Average Aggregated Cash cost (\$/oz)	602	595	489	1%
Average Aggregated Cash margin (\$/oz)	294	298	199	-1%

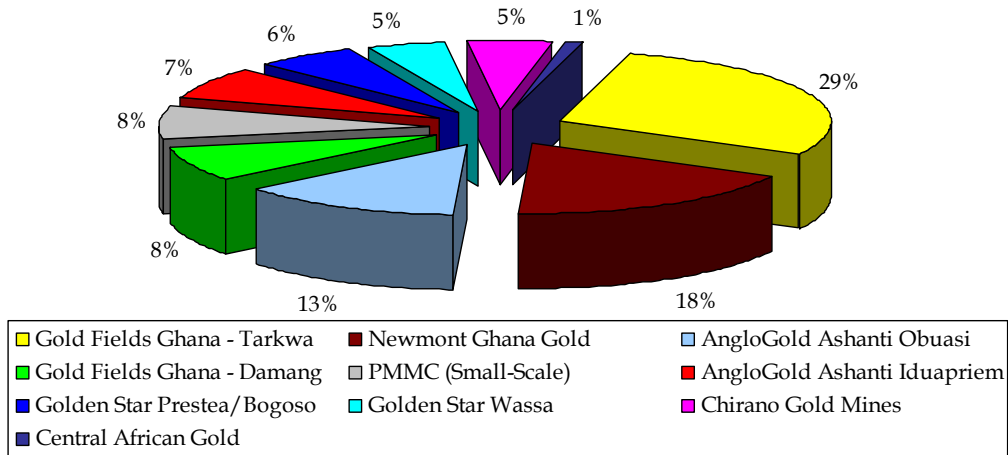
Whilst the realized price of gold in the second quarter of 2008 was down 2% on that of the first quarter, cash costs of gold producing members increased by 1%. As a result, the cash margin of gold producers declined by 1% over the same period. The increasing cost of inputs such as diesel fuel which correlate positively with the price of gold accounted for the increased costs. Thus, while revenues of gold mining companies generally increased due to the healthier gold price, their costs increased correspondingly thereby adversely impacting their margins.

GOLD PRODUCTION COMPARISM BY COMPANY



On the other hand, mineral royalty payments to government and subsequent disbursements to beneficiaries such as the relevant municipal and district assemblies increased on account of the fact that mineral royalty is determined as an ad valorem of mining revenue.

HALF YEAR GOLD PRODUCTION COMPARISM PER COMPANY



Outlook

With the increasing cost of inputs, particularly electric power, the challenges the mining companies faced in the period will continue at least in the near term.